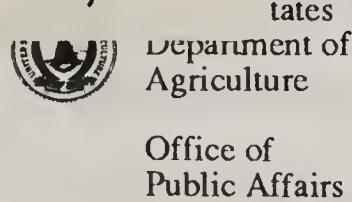


Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

98 U51
Copy 3



United States
Department of
Agriculture

Office of
Public Affairs

Selected Speeches and News Releases

Nov. 19 - Nov. 25, 1992

IN THIS ISSUE:

News Releases—

USDA Announces ARP Signup Dates for 1993 Farm Programs

USDA Announces Prevailing World Market Price and User Marketing Certificate Payment Rate for Upland Cotton

USDA to Allow Imports of 110 Fruits and Vegetables from 32 Countries

USDA Establishes National Veterinary Accreditation Program

Forest Service Unveils Logo and Slogan for 50th Anniversary of Smokey Bear

USDA Agency Helps Solve Problems Between Humans and Wildlife

USDA Seeks to Improve Hispanic Recruitment

USDA Issues Final Rule on Canadian Potato Imports

Don't Invite Salmonella to Your Holiday Gatherings

USDA Proposes 1993 National Peanut Poundage Quota and Export Sales Price

USDA Announces Prevailing World Market Rice Prices

Biosoap from Tobacco Plant Could Help Clean Up Whitefly Problems

Backgrounder

U.S. - EC Agreement on Oilseeds and the Uruguay Round

News Releases

U.S. Department of Agriculture • Office of Public Affairs

Bruce Merkle (202) 720-8206
Phil Villa-Lobos (202) 720-4026

USDA ANNOUNCES ARP SIGNUP DATES FOR 1993 FARM PROGRAMS

WASHINGTON, Nov. 19—Secretary of Agriculture Edward Madigan today announced that the 1993 acreage reduction program signup for feed grains, wheat, rice and upland and extra-long staple cotton will be March 1 through April 30.

On Sept. 29, the secretary announced 1993 ARP percentages of 10 percent for corn and 5 percent for grain sorghum. The ARP for barley, oats and wheat were set at zero percent. (USDA news release no. 0913-92.)

A preliminary announcement of an ARP of 7.5 percent was made Nov. 2 for upland cotton (release no. 1022-92). The 1993 ARP percentages for rice and ELS cotton will be announced later.

#

Minnie Tom Meyer (202) 720-7954
Leslie Parker (202) 720-4026

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE AND USER MARKETING CERTIFICATE PAYMENT RATE FOR UPLAND COTTON

Washington, Nov. 19—John Stevenson, acting executive vice president of USDA's Commodity Credit Corporation, today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-3.6 and 4.3-4.9, strength 24-25 grams per tex) upland cotton (base quality) and the coarse count adjustment (CCA) in effect from 5:00 p.m. today through close of business Wednesday, Nov. 25. The user marketing certificate payment rate announced today is in effect from 12:01 a.m. Friday, Nov. 20, through midnight Thursday, Nov. 26.

The Agricultural Act of 1949, as amended, provides that the AWP may be further adjusted if: (a) the AWP is less than 115 percent of the current crop year loan rate for base quality upland cotton, and (b) the Friday through Thursday average price quotation for the lowest-priced U.S. growth as quoted for Middling (M) 1-3/32 inch cotton, C.I.F. northern Europe (USNE price) exceeds the Northern Europe (NE) price. The maximum allowable adjustment is the difference between the USNE price and the NE price.

A further adjustment to this week's calculated AWP may be made in accordance with this provision. The calculated AWP is 75 percent of the 1992 upland cotton base quality loan rate, and the USNE price exceeds the NE price by 5.61 cents per pound. Following are the relevant calculations:

I.	Calculated AWP	39.01 cents per pound
	1992 Base Loan Rate	52.35 cents per pound
	AWP as a Percent of Loan Rate	75
II.	USNE Price	58.30 cents per pound
	NE Price	<u>-52.69</u> cents per pound
	Maximum Adjustment Allowed	5.61 cents per pound

Based on a consideration of the U.S. share of world exports, the current level of cotton export sales and cotton export shipments, and other relevant data, no further adjustment to this week's calculated AWP will be made.

This week's AWP and coarse count adjustment are determined as follows:
Adjusted World Price

NE Price	52.69
Adjustments:	
Average U.S. spot market location	11.82
SLM 1-1/16 inch cotton	1.55
Average U.S. location	0.31
Sum of Adjustments	<u>-13.68</u>
Calculated AWP	39.01
Further AWP Adjustment	<u>- 0</u>
ADJUSTED WORLD PRICE	39.01 cents/lb.

Coarse Count Adjustment

NE Price	52.69
NE Coarse Count Price	<u>-48.75</u>
	3.94
Adjustment to SLM 1-1/32 inch cotton	<u>-3.95</u>
	-0.01
COARSE COUNT ADJUSTMENT	0 cents/lb.

Because the AWP is below the 1991 and 1992 base quality loan rates of 50.77 and 52.35 cents per pound, respectively, the loan repayment rate during this period is equal to the AWP, adjusted for the specific quality and location plus applicable interest and storage charges. The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Because the AWP is below the 1992-crop loan rate, cash loan deficiency payments will be paid to eligible producers who agree to forgo obtaining a price support loan with respect to the 1992 crop. The payment rate is equal to the difference between the loan rate and the AWP. Producers are allowed to obtain a loan deficiency payment on a bale-by-bale basis.

The USNE price has exceeded the NE price by more than 1.25 cents per pound for four consecutive weeks and the AWP has not exceeded 130 percent of the 1992 crop year base quality loan rate in any week of the 4-week period. As a result, the user marketing certificate payment rate is 4.36 cents per pound. This rate is applicable for bales opened by domestic users and for cotton contracts entered into by exporters for delivery prior to September 30, 1993. Relevant data used in determining the user marketing certificate payment rate are summarized below:

Week	For the				
	Friday through Thursday Period	USNE Current Price	NE Current Price	USNE Minus NE	Certificate Payment Rate 1/
1	Oct. 29, 1992	55.90	51.85	4.05	2.80
2	Nov. 5, 1992	56.65	52.11	4.54	3.29
3	Nov. 12, 1992	58.85	52.78	6.07	4.82
4	Nov. 19, 1992	58.30	52.69	5.61	4.36

1/ USNE price minus NE price minus 1.25 cents.

Because of the Thanksgiving holiday, next week's AWP, CCA and user marketing certificate payment rate will be announced on Friday, Nov. 27 at 8 a.m. eastern time.

Amichai Heppner (301) 436-5222
Edwin Moffett (202) 720-4026

USDA TO ALLOW IMPORTS OF 110 FRUITS AND VEGETABLES FROM 32 COUNTRIES

WASHINGTON, Nov. 20—The U.S. Department of Agriculture is permitting 110 fruits and vegetables to be imported from new sources in 32 countries.

"We are taking this action based on good evidence that, with the required precautions, produce from these sources poses no significant pest risk to U.S. producers," said B. Glen Lee, deputy administrator for plant protection and quarantine in USDA's Animal and Plant Health Inspection Service.

"We placed produce on this list at the request of commercial importers and foreign governments," Lee said. "Importers are unlikely to use the new sources extensively."

Lee said importers like to have a wide option of sources to bring in off-season fruits and vegetables that will increase the variety available to consumers. Examples are Belgian endive from Bolivia, rhubarb from Colombia and figs from New Zealand.

Most of the listings cover produce for which there is only a small specialty market that is not being filled at present. For example, there is only a small demand for the tropical fruit on the list—like carambola from Bermuda—or specialty vegetables—like chervil from Panama. Similarly, there is only a small demand for listed fresh spices, such as basil from Great Britain.

Lee said that until now, APHIS issued permits to import fruits and vegetables on an individual basis, guided by basic regulations. The current list of items and the countries from which they may be imported contains more than 1,000 entries.

A summary of the fruits, vegetables and sources is available upon request from Amichai Heppner, USDA, APHIS, LPA, 616 Federal Building, Hyattsville, Md. 20782; telephone (301) 436-5222.

#

Kim Taylor (301) 436-5268
Edwin Moffett (202) 720-4026

USDA ESTABLISHES NATIONAL VETERINARY ACCREDITATION PROGRAM

WASHINGTON, Nov. 23—The U.S. Department of Agriculture's Animal and Plant Health Inspection Service today changed its veterinary accreditation regulations to replace accreditation at the state level with a uniform national program.

"We believe creation of a national accreditation system and implementation of other changes in the regulations will help ensure that enough qualified veterinarians are available throughout the country to carry out USDA's mission to control and prevent the spread of animal diseases," said Billy G. Johnson, APHIS' deputy administrator for veterinary services.

Under the new system, accreditation status will be determined on a national rather than state basis, allowing accredited veterinarians to perform federal veterinary services in any state in which they are licensed to practice.

In addition, a currently required written test will be replaced with a comprehensive evaluation of an applicant's ability to perform standard veterinary procedures. Applicants will be required to attend an approved orientation program covering federal animal health laws and regulations, as well as ethical and professional responsibilities of accredited veterinarians.

Today's changes also clarify re-accreditation procedures, specify performance standards for certain services and change the penalties for violations of accreditation standards.

The changes were initially published as a proposal in the June 4 Federal Register (USDA News Release No. 0523-92). APHIS received a number of comments during the public comment period and made several changes based on them, Johnson said.

Today's changes will be published in the Nov. 23 Federal Register and are effective immediately.

#

Lynn Pisano (202) 205-1499
Arthur Whitmore (202) 720-4026

FOREST SERVICE UNVEILS LOGO AND SLOGAN FOR 50TH ANNIVERSARY OF SMOKEY BEAR

WASHINGTON, Nov. 23—For nearly 50 years, Smokey Bear has reminded Americans to protect our nation's forests from fire. Today, the U.S. Department of Agriculture's Forest Service and the National Association of State Foresters unveiled a new slogan and logo to be used in the golden anniversary celebration of the famous bear. The new slogan is: "Remember... Smokey Has for 50 Years."

The slogan will be used during a year-long golden anniversary campaign starting October 1993.

"This anniversary slogan reinforces Smokey's classic wildfire prevention message, 'Remember, only YOU can prevent forest fires,'" said Forest Service Chief F. Dale Robertson.

"For the past half century, generations of Americans have grown up with Smokey. Our anniversary celebration will bring back a lot of memories and drive home Smokey's message of fire prevention to a new generation."

The National Association of State Foresters held a nationwide contest last spring to select a slogan for the 50th anniversary. The Ohio Division of Forestry submitted the winning slogan, one of 3,400 entries.

The Advertising Council furnished the design for the anniversary logo.

Both the Advertising Council and NASF have been partners with the Forest Service in delivering Smokey's message for the past 50 years.

From October 1993 to August 1994, foresters and fire officials across the country will participate in local and statewide events celebrating Smokey's golden anniversary. The anniversary will culminate with a celebration in Washington, D.C., on Aug. 9, 1994.

<pp>Editors Note: Camera-ready copy of the 50th Anniversary logo is available from Lynn Pisano at (202) 205-1499.

#

Robin Porter (301) 436-7799.
Edwin Mossett (202) 720-4026
Issued: Nov. 23, 1992

USDA AGENCY HELPS SOLVE PROBLEMS BETWEEN HUMANS AND WILDLIFE

WASHINGTON—There is a wildlife agency within the U.S. Department of Agriculture that provides help with everything from bats in the belfry to bears in the backyard.

“When wild animals cause damage to property, threaten public health and safety, feed on valuable crops, kill livestock and pets, or harm endangered species, we’re here to provide safe and responsible assistance,” said Bobby Acord, deputy administrator for animal damage control in USDA’s Animal and Plant Health Inspection Service.

ADC has offices in most states throughout the country, Acord said. These offices are staffed by professional wildlife biologists who are trained in handling a variety of situations.

Following is a review of recent ADC activities:

—Red Wolf Recovery: In October, ADC helped trap a pair of endangered red wolves that were suspected of killing livestock in Tennessee. The wolves were fitted with radio collars and released in a new location.

—Roaming Coyotes: This summer, residents in a New Mexico neighborhood became alarmed after coyotes killed a pet dog and wandered into several backyards. An ADC wildlife biologist evaluated the situation and suggested the county cut the vegetation around the neighborhood. ADC recommendations were followed, and the coyotes have stayed away from the neighborhood.

—Wildlife Hotline: For the past year, a toll-free hotline has assisted more than 1,000 Maryland residents with wildlife-related problems. The service, established in cooperation with the Maryland Department of Natural Resources, receives calls about nearly every animal-related problem imaginable. About 40 percent of the calls involved health and safety problems caused by wildlife. The number is 1-800-442-0708.

—Too Many Geese: The population of nonmigratory Canada geese in several Eastern states has reached an all-time high. ADC regularly receives requests to relocate geese from golf courses, business parks, sewage treatment plants, airports and residential areas. In the past few months alone, ADC relocated 500 geese in Virginia and 400 geese in Alabama.

—Fish-Eating Birds: In August, an ADC specialist in Williamson County, Texas, received a request for assistance from a manager of a catfish farm reporting a loss of 125,000 fish to cormorants. ADC recommended the use of propane exploders and other frightening devices that were successful in keeping the predatory birds at bay.

—A Taste For Poultry: In September, ADC specialists in Benton County, Oregon, trapped and relocated a great horned owl that had killed 33 exotic chickens. The chickens were valued at more than \$5,000. The owl was released near the Cascade Mountain range, more than 200 miles away from the farm.

—Grizzly Guard Dogs: This summer, ADC provided a sheep rancher in Montana's Absaroka Wilderness area with two Akbash guarding dogs. The dogs were used to protect a flock of sheep in an area inhabited by black and grizzly bears and coyotes. The herder and the owner of the sheep observed encounters between the dogs and predators during the 7-week season and were impressed with the demonstration. The rancher plans to use the guarding dogs again next summer.

For more information on the ADC program or for the ADC office nearest to you, call the ADC operational support staff at (301) 436-8281.

#

(USDA) Nancy Robinson (202) 720-6905
(USDA) Phil Villa-Lobos (202) 720-4026
(HACU) Carlos Esparza (202) 833-8361

USDA SEEKS TO IMPROVE HISPANIC RECRUITMENT

WASHINGTON, Nov. 24—The U.S. Department of Agriculture and the Hispanic Association of Colleges and Universities will co-sponsor four regional training workshops at Hispanic Serving Institutions to improve the recruitment of Hispanic college students.

"These recruitment workshops are crucial to our efforts to accomplish USDA's workforce diversity goals," said Assistant Secretary of Agriculture for Administration Charles R. Hilty. "We are optimistic that many of the students will consider careers with USDA upon graduation."

The workshops, to be completed in December, will provide training to HACU campus recruitment contacts regarding USDA career opportunities, the Federal Summer Intern Program, how to complete a federal employment application, a Coops-In-Residence Program, and other important recruitment tools.

The HACU recruitment contacts training workshops will be held at:
—Dec. 4—Hudson Community College, Jersey City, N.J.;
—Dec. 7—Miami Dade Community College;
—Dec. 9—East Los Angeles Community College; and
—Dec. 11—Doña Ana Branch Community College, Las Cruces, N.M.
Each one-day workshops will begin at 8:30 a.m. and end at 3:30 p.m.

#

John Rodriguez (301) 436-3254
Edwin Moffett (202) 720-4026

USDA ISSUES FINAL RULE ON CANADIAN POTATO IMPORTS

WASHINGTON, Nov. 24—The U.S. Department of Agriculture has issued a final rule removing the prohibition on importing seed potatoes from Prince Edward Island and Ontario, Canada.

The rule also establishes certain restrictions on seed potatoes from Canadian provinces where the virulent plant virus PVYn exists.

"We based our decision on recent surveys provided by Agriculture Canada," said B. Glen Lee, deputy administrator for plant protection and quarantine with USDA's Animal and Plant Health Inspection Service. "We believe the safeguards in the final rule will allow the importation of Canadian seed potatoes without the risk of introducing PVYn."

Seed potatoes imported from Prince Edward Island, Ontario, New Brunswick, Quebec and Nova Scotia must not have been grown within five kilometers (3.1 miles) of any field infested with PVYn. Seed potatoes also must be certified as originating from sampled seed lots free of PVYn.

Outbreaks of PVYn were previously discovered in Prince Edward Island and New Brunswick. Seed potatoes shipped from Prince Edward Island then infected fields in Ontario, Nova Scotia and Quebec.

The final rule becomes today, and it is published in today's Federal Register.

#

Kendra Pratt (301) 436-4898
Edwin Moffett (202) 720-4026
Issued: Nov. 24, 1992

DON'T INVITE SALMONELLA TO YOUR HOLIDAY GATHERINGS

WASHINGTON—Planning to bring friends and family together for holiday parties and dinners? Proper food preparation and handling of holiday treats will keep a most unpleasant guest—Salmonella enteritidis (SE)—from crashing your holiday events.

"Salmonella enteritidis is a bacterium that can make you sick if you don't handle food safely," said John Mason, director of the SE control program in the U.S. Department of Agriculture's Animal and Plant Health Inspection Service.

"As of Nov. 10, public health agencies reported 45 Salmonella outbreaks to APHIS," Mason said. "If people had taken the right precautions in handling food, most of these outbreaks would never have happened."

Mason said the risk of food poisoning increases during the holiday season because people tend to serve foods buffet style, and many traditional holiday foods contain products particularly susceptible to salmonella contamination.

Although salmonella can contaminate many kinds of foods, the bacteria primarily infect meat, egg and dairy products. Certain holiday foods, such as egg nog and hollandaise sauce, pose a special risk because they are prepared with raw eggs, Mason said.

Healthy adults who become infected with the bacteria will suffer from diarrhea, vomiting, severe stomach cramps, fever, malaise and headaches. The elderly, the young and those with weakened immune systems are affected much more severely, sometimes even fatally. They should avoid eating high-risk foods altogether. Don't serve them over-easy eggs or homemade ice cream; and don't let them taste raw cookie and cake batter.

Mason recommended the following food handling tips to minimize the risk of salmonella infection:

—Purchase eggs that are refrigerated, clean and unbroken. Store eggs in the original cartons to maintain a constant temperature and to protect them from breakage.

—Refrigerate raw eggs at or below 40 degrees F. because salmonella bacteria can survive and multiply at temperatures warmer than that. Constant refrigeration prevents or reduces contamination.

—Use separate mixing utensils for each dish to guard against possible cross contamination. It is more difficult to clean wooden utensils thoroughly than metal or plastic ones.

—Cook fresh eggs to a temperature of at least 140 degrees to kill bacteria. Once an egg reaches this temperature, the egg white is no longer clear and the yolk is thickened.

—For recipes calling for raw eggs, substitute pasteurized eggs. Always use pasteurized eggs in recipes serving large groups. Food handlers at restaurants, catering services and institutions should avoid pooling, or mixing a large number of eggs.

—When separating eggs, avoid using the shell. Also, avoid getting pieces of the broken shell into the mix.

—Don't let dishes of food sit out at room temperature for more than two hours. Refrigerate or keep them hot.

The APHIS SE control program was established in 1990 in response to increased outbreaks of salmonella poisoning traced to fresh eggs. The program investigates SE outbreaks that are egg-related by tracing the source of food, from the table back to the point of production.

#

John Carlin Ryan (202) 720-6788
Phil Villa-Lobos (202) 720-4026

USDA PROPOSES 1993 NATIONAL PEANUT POUNDAGE QUOTA AND EXPORT SALES PRICE

WASHINGTON, Nov. 24—The U.S. Department of Agriculture today proposed a national peanut poundage quota for the 1993 marketing year of 1,496,000 short tons (2,992 million pounds) down 44,000 short tons (88 million pounds) from the 1992 level. It also proposed a minimum sales price for USDA's Commodity Credit Corporation of \$400 per short ton for additional peanuts for export edible use.

Keith Bjerke, CCC executive vice president, said the final national poundage quota for 1993 marketing year peanuts is required to be announced by Dec. 15. The marketing year for peanuts begins Aug. 1, 1993.

The Agricultural Adjustment Act of 1938, as amended, requires the national poundage quota for the 1993 crop of peanuts to be equal to the quantity of peanuts that the secretary of agriculture estimates will be devoted to domestic edible, seed and related use in the 1993 marketing year. The quota may be no less than 1,350,000 short tons.

Notice of this proposal for quota and export sales price levels will appear in the Nov. 24 Federal Register.

Comments must be received no later than Dec. 11 by the Deputy Administrator, Policy Analysis, USDA-ASCS, Room 3090, South Building, P.O. Box 2415, Washington, D.C. 20013. Fax number: (202) 690-2186 .

#

Gene Rosera (202) 720-6734
Charles Hobbs (202) 720-4026

USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Nov. 24—Acting Under Secretary of Agriculture Randall Green today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 8.73 cents per pound;
- medium grain whole kernels, 7.80 cents per pound;
- short grain whole kernels, 7.78 cents per pound;
- broken kernels, 4.37 cents per pound.

Based upon these prevailing world market prices for milled rice, loan deficiency payment rates and gains from repaying price support loans at the world market price level are:

- for long grain, \$1.25 per hundredweight;
- for medium grain, \$1.22 per hundredweight;
- for short grain, \$1.22 per hundredweight.

The prices announced are effective today at 3 p.m. EST. The next scheduled price announcement will be made Dec. 1 at 3 p.m. EST.

#

Hank Becker (301) 504-8547
Leslie Parker (202) 720-4026

BIOSOAP FROM TOBACCO PLANT COULD HELP CLEAN UP WHITEFLY PROBLEMS

WASHINGTON, Nov. 25—A biosoap, made from extracts of a tobacco plant, killed sweetpotato whiteflies in greenhouse and small-scale field tests, said U.S. Department of Agriculture scientists.

An apparently new strain of the whitefly has severely damaged cotton, melons, lettuce and many other crops in parts of California, Arizona, Texas and Florida in recent years.

The biosoap kills an immature whitefly by weakening the waxy protective coating on its body covering, causing it to dry out, said entomologist John W. Neal with USDA's Agricultural Research Service. At the Florist and Nursery Crops Laboratory in Beltsville, Md., Neal has run greenhouse tests in which the biosoap—a mixture of the tobacco extracts and water—killed nearly all the whiteflies.

Last summer, the biosoap passed its first outdoor tests in cotton, said entomologist David Akey at the ARS Western Cotton Research Laboratory in Phoenix, Ariz. "The biosoap killed 94 percent of the whiteflies in one test Akey said, "and 78 percent in the second test, compared to unsprayed control plots."

"The biosoap could become one of several different controls farmers will likely need to keep the whitefly off balance," he said. The pest has a strong ability to become resistant to compounds used repeatedly against it. But, Akey said, alternating among different classes of control compounds—such as conventional insecticides, biosoaps and naturally occurring fungi—could hold down resistance.

The biosoap and other anti-whitefly research efforts are detailed in the November issue of the agency's Agricultural Research magazine. ARS and university scientists around the country are testing other potential whitefly controls such as beneficial insects, fungi, and even dish detergent mixed with vegetable oil.

Neal said the biosoap is environmentally safe and does not harm beneficial insects. ARS has applied for a patent on four related compounds with similar activity extracted from an Australian relative of the *Nicotiana* tobacco plant. "We are only halfway through evaluating the 66 species of *Nicotiana*," Neal said. "So far we've found possible candidates in several species."

Sweetpotato whiteflies (*Bemisia tabaci*) can reproduce about every 17 days, and have an appetite for over 600 plant species worldwide. Adult sweetpotato whiteflies resemble tiny flecks of white ash.

Immature and adult whiteflies damage crops mainly by sucking juices from leaves. The adults also transmit viruses, causing plant diseases. And the immature whiteflies, or nymphs, excrete a sugary substance, honeydew. It nourishes the growth of molds on plants that cause the upper surfaces of leaves to turn black.

Cotton fiber contaminated with the honeydew gums up cotton gins and interrupts processing in the textile mill.

"For the cotton industry, these whiteflies could be the worst thing since the boll weevil," said Thomas J. Henneberry, director of the Phoenix ARS lab. Researchers are testing ways to ease the honeydew problem in studies in Phoenix and other ARS laboratories in Messila Park, New Mexico, and Clemson, South Carolina.

NOTE TO EDITORS: For details, contact David H. Akey, entomologist, and Thomas J. Henneberry, director, Western Cotton Research Laboratory, USDA, ARS, Phoenix, Ariz. 85040, telephone (602) 379-3524; and John W. Neal, entomologist, Florist and Nursery Crops Laboratory, USDA-ARS, Beltsville, Md. 20705, telephone (301) 504-9159.

Black and white photos are available from the Photography Division, OPA, USDA, Room 4404S, Washington, DC 20250. Telephone (202) 720-6633.

#

BACKGROUNDER

Roger Runingen (202) 720-4623

November 20, 1992

U.S. - EC AGREEMENT ON OILSEEDS AND THE URUGUAY ROUND

The agreement reached today by the European Community and the United States paves the way for a speedier resolution of the remaining agricultural issues in the GATT Uruguay Round negotiations. This will free up negotiations to continue in other areas of the Round.

Today's agreement spells out the conditions for resolving the oilseeds dispute in a manner that is satisfactory to both the United States and the European Community. It will halt the dramatic increase in European Community oilseed production.

Today's agreement also clarifies the position the two parties will take on other issues contained in the Dunkel Agricultural Text, which was proposed nearly a year ago by Arthur Dunkel, director general of the General Agreement on Tariffs and Trade. The Dunkel Text is a general form of an agricultural agreement which has been the guideline for the GATT Uruguay Round discussions throughout 1992.

The agreement reached today by the European Community and the United States contains the following guidelines:

OILSEEDS

The agreement contains an acreage trigger for European Community oilseeds production. If EC acreage exceeds the trigger, oilseed producers in the EC will receive smaller EC subsidy payments on all oilseed plantings. This will restrain plantings and oilseed production.

The European Community will ensure that any oilseed byproducts produced from oilseed plantings on EC set-aside acres will not undermine the market for oilseed exports.

If the United States believes the agreement has been breached, the European Community agrees to undertake binding arbitration.

The European Community also agrees to provide a reduced tariff rate on 500,000 tons of corn to Portugal beginning in 1993/94.

GATT URUGUAY ROUND

Internal Supports. The European Community and the United States agree to support a GATT Uruguay Round agreement that will require a 20% reduction from a 1986-88 base in the average level of farm supports across

commodities as determined by the so-called Aggregate Measure of Support (AMS). These reductions are from a 1986-1988 base period and therefore have already been achieved in the United States so no further reductions are required for U.S. commodities.

Direct payments that are appropriately linked to production-limiting programs will not be subject to the reduction commitment if certain conditions are met (for crops: fixed acreage base/fixed yields or payments made on less than 85 percent of base level production; for livestock: fixed number of livestock head).

Export Subsidies. The United States and the European Community agree to support a GATT Uruguay Round agreement that reduces by 21% the volume of agricultural commodities that receive export subsidies and reduces subsidy outlays by 36%. These cuts are from a base period of 1986-90 as defined in the Dunkel Text.

Market Access. The United States and the European Community have agreed to instruct their negotiators to complete as quickly as possible their country lists of proposed reductions in agricultural tariffs (as well as farm subsidies).

Consultation on Non-grain Feed Ingredients. The United States and the European Community agree to consult if EC imports of non-grain feed ingredients increase to levels that undermine the implementation of the reform in EC farm programs.

GATT Rules. The European Community and the United States have agreed that during the six-year implementation period internal support measures and export subsidies that fully conform to reduction commitments and other criteria will not be subject to challenge under GATT rules on subsidies. However, countervailing duties will still apply if such subsidized imports cause or threaten injury.

OTHER BILATERAL ISSUES

The United States and the European Community have agreed on a resolution of current disputes between the two parties on corn gluten feed and malted barley sprouts.

The European Community also has agreed to extend into 1993 the agreement that permits the entry of 2 million tons of corn and 300,000 tons of sorghum into Spain under reduced import charges.

